

108TH CONGRESS
1ST SESSION

S. 1344

To amend the Electronic Fund Transfer Act to require additional disclosures relating to exchange rates in transfers involving international transactions, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 26, 2003

Mr. CORZINE (for himself, Mr. SCHUMER, Mr. AKAKA, and Mrs. BOXER) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To amend the Electronic Fund Transfer Act to require additional disclosures relating to exchange rates in transfers involving international transactions, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Money Wire Improve-
5 ment and Remittance Enhancement Act of 2003” (or the
6 “Money WIRE Act of 2003”).

1 **SEC. 2. DISCLOSURE OF EXCHANGE RATES IN CONNECTION**
 2 **WITH INTERNATIONAL MONEY TRANSFERS.**

3 (a) IN GENERAL.—The Electronic Fund Transfer
 4 Act (15 U.S.C. 1693 et seq.) is amended—

5 (1) by redesignating sections 918, 919, 920,
 6 and 921 as sections 919, 920, 921, and 922, respec-
 7 tively; and

8 (2) by inserting after section 917 the following
 9 new section:

10 **“SEC. 918. DISCLOSURE OF EXCHANGE RATES IN CONNEC-**
 11 **TION WITH INTERNATIONAL MONEY TRANS-**
 12 **FERS.**

13 “(a) DEFINITIONS.—

14 “(1) INTERNATIONAL MONEY TRANSFER.—The
 15 term ‘international money transfer’ means any
 16 money transmitting service involving an inter-
 17 national transaction which is provided by a financial
 18 institution or a money transmitting business.

19 “(2) MONEY TRANSMITTING SERVICE.—The
 20 term ‘money transmitting service’ has the meaning
 21 given to such term in section 5330(d)(2) of title 31,
 22 United States Code.

23 “(3) MONEY TRANSMITTING BUSINESS.—The
 24 term ‘money transmitting business’ means any busi-
 25 ness which—

1 “(A) provides check cashing, currency ex-
2 change, or money transmitting or remittance
3 services, or issues or redeems money orders,
4 travelers’ checks, and other similar instruments;
5 and

6 “(B) is not a depository institution (as de-
7 fined in section 5313(g) of title 31, United
8 States Code).

9 “(b) EXCHANGE RATE AND FEES DISCLOSURES RE-
10 QUIRED.—

11 “(1) IN GENERAL.—Any financial institution or
12 money transmitting business which initiates an
13 international money transfer on behalf of a con-
14 sumer (whether or not the consumer maintains an
15 account at such institution or business) shall provide
16 the following disclosures in the manner required
17 under this section:

18 “(A) The exchange rate used by the finan-
19 cial institution or money transmitting business
20 in connection with such transaction.

21 “(B) The exchange rate prevailing at a
22 major financial center of the foreign country
23 whose currency is involved in the transaction,
24 as of the close of business on the business day
25 immediately preceding the date of the trans-

1 action (or the official exchange rate, if any, of
2 the government or central bank of such foreign
3 country).

4 “(C) All commissions and fees charged by
5 the financial institution or money transmitting
6 business in connection with such transaction.

7 “(D) The exact amount of foreign currency
8 to be received by the recipient in the foreign
9 country, which shall be disclosed to the con-
10 sumer before the transaction is consummated
11 and printed on the receipt referred to in para-
12 graph (3).

13 “(2) PROMINENT DISCLOSURE INSIDE AND
14 OUTSIDE THE PLACE OF BUSINESS WHERE AN
15 INTERNATIONAL MONEY TRANSFER IS INITIATED.—
16 The information required to be disclosed under sub-
17 paragraphs (A), (B), and (C) of paragraph (1) shall
18 be prominently displayed on the premises of the fi-
19 nancial institution or money transmitting business
20 both at the interior location to which the public is
21 admitted for purposes of initiating an international
22 money transfer and on the exterior of any such
23 premises.

24 “(3) PROMINENT DISCLOSURE IN ALL RE-
25 CEIPTS AND FORMS USED IN THE PLACE OF BUSI-

1 NESS WHERE AN INTERNATIONAL MONEY TRANSFER
 2 IS INITIATED.—The information required to be dis-
 3 closed under paragraph (1) shall be prominently dis-
 4 played on all forms and receipts used by the finan-
 5 cial institution or money transmitting business when
 6 initiating an international money transfer in such
 7 premises.

8 “(c) ADVERTISEMENTS IN PRINT, BROADCAST, AND
 9 ELECTRONIC MEDIA AND OUTDOOR ADVERTISING.—The
 10 information required to be disclosed under subparagraphs
 11 (A) and (C) of subsection (b)(1) shall be included—

12 “(1) in any advertisement, announcements, or
 13 solicitation which is mailed by the financial institu-
 14 tion or money transmitting business and pertains to
 15 international money transfer; or

16 “(2) in any print, broadcast, or electronic me-
 17 dium or outdoor advertising display not on the
 18 premises of the financial institution or money trans-
 19 mitting business and pertaining to international
 20 money transfer.

21 “(d) DISCLOSURES IN LANGUAGES OTHER THAN
 22 ENGLISH.—The disclosures required under this section
 23 shall be in English and in the same language as that prin-
 24 cipally used by the financial institution or money transmit-
 25 ting business, or any of its agents, to advertise, solicit,

1 or negotiate, either orally or in writing, at that office if
 2 other than English.”.

3 (b) EFFECTIVE DATE.—The amendments made by
 4 subsection (a) shall take effect at the end of the 3-month
 5 period beginning on the date of the enactment of this Act.

6 **SEC. 3. STUDY ON FEE DISCLOSURES FOR MONEY WIRE**
 7 **TRANSMISSIONS.**

8 (a) STUDY.—The Federal banking agencies (as de-
 9 fined in section 3 of the Federal Deposit Insurance Act)
 10 and the Secretary of the Treasury shall jointly conduct
 11 a study on fees charged and fee disclosures for money wire
 12 transmissions.

13 (b) COMPARISON OF PRICES.—The study required by
 14 subsection (a) shall compare the disclosures provided by
 15 federally insured depository institutions for money wire
 16 transmissions with disclosures provided by money trans-
 17 mitting businesses (as defined in section 5330(d)(1) of
 18 title 31, United States Code) for such transmissions.

19 (c) REPORT REQUIRED.—The Federal banking agen-
 20 cies and the Secretary of the Treasury shall jointly submit
 21 a report on the study required under subsection (a) to the
 22 Congress before the end of the 1-year period beginning
 23 on the date of enactment of this Act.

1 **SEC. 4. FEDERAL CREDIT UNION ACT AMENDMENT.**

2 Paragraph (12) of section 107 of the Federal Credit
3 Union Act (12 U.S.C. 1757(12)) is amended to read as
4 follows:

5 “(12) in accordance with regulations prescribed
6 by the Board—

7 “(A) to sell, to persons in the field of
8 membership, negotiable checks (including trav-
9 elers checks), money orders, and other similar
10 money transfer instruments; and

11 “(B) to cash checks and money orders for
12 persons in the field of membership for a fee;”.

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